



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

**HB4601**

by Rep. Thomas Bennett

#### SYNOPSIS AS INTRODUCED:

765 ILCS 1025/2  
765 ILCS 1025/2a

from Ch. 141, par. 102  
from Ch. 141, par. 102a

Amends the Uniform Disposition of Unclaimed Property Act. Provides that certain property is presumed abandoned after 8 (instead of 5) years. Provides that property is not presumed abandoned if the owner of the property was the recipient of a federal taxable interest statement that was not returned to the sender, a dividend check that was cashed, or any automatic transactions, including dividend investments.

LRB099 18174 HEP 42541 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Uniform Disposition of Unclaimed Property  
5 Act is amended by changing Sections 2 and 2a as follows:

6 (765 ILCS 1025/2) (from Ch. 141, par. 102)

7 Sec. 2. Property held by financial organizations;  
8 presumption of abandonment. The following property held or  
9 owing by a banking or financial organization is presumed  
10 abandoned:

11 (a) Any demand, savings, or matured time deposit with a  
12 banking organization, together with any interest or dividend  
13 thereon, excluding any charges that may lawfully be withheld,  
14 unless the owner has, within 8 ~~5~~ years:

15 (1) Increased or decreased the amount of the deposit,  
16 or presented the passbook or other similar evidence of the  
17 deposit for the crediting of interest; or

18 (2) Corresponded in writing with the banking  
19 organization concerning the deposit;

20 (3) Otherwise indicated an interest in the deposit as  
21 evidenced by a memorandum on file with the banking  
22 organization; or

23 (4) Engaged in the following activity regarding other

1 funds or loan accounts with the banking organization:

2 (i) undertook one or more the above actions  
3 described in subsection (a) of this Section regarding  
4 any account that appears on a consolidated statement  
5 with the inactive account;

6 (ii) increased or decreased the amount of funds in  
7 any other account the owner has with the banking  
8 organization; ~~or~~

9 (iii) engaged in any other relationship with the  
10 banking organization, including payment of any amounts  
11 due on a loan; or ~~or~~

12 (iv) was the recipient of a federal taxable  
13 interest statement that was not returned to the sender.

14 The foregoing apply so long as the mailing address for the  
15 owner in the banking organization's books and records is the  
16 same for both the inactive account and for the active account.

17 (b) Any funds paid toward the purchase of withdrawable  
18 shares or other interest in a financial organization, or any  
19 deposit made, and any interest or dividends thereon, excluding  
20 any charges that may be lawfully withheld, unless the owner has  
21 within 8 ~~5~~ years:

22 (1) Increased or decreased the amount of the funds, or  
23 deposit, or presented an appropriate record for the  
24 crediting of interest or dividends; or

25 (2) Corresponded in writing with the financial  
26 organization concerning the funds or deposit;

1           (3) Otherwise indicated an interest in the funds or  
2           deposit as evidenced by a memorandum on file with the  
3           financial organization; or

4           (4) Engaged in the following activity regarding other  
5           funds or loan accounts with the financial organization:

6                   (i) undertook one or more the above actions  
7                   described in subsection (b) of this Section regarding  
8                   any account that appears on a consolidated statement  
9                   with the inactive account;

10                   (ii) increased or decreased the amount of funds in  
11                   any other account the owner has with the financial  
12                   organization; ~~or~~

13                   (iii) engaged in any other relationship with the  
14                   financial organization, including payment of any  
15                   amounts due on a loan; or -

16                   (iv) was the recipient of a dividend check that was  
17                   cashed or the recipient of any automatic transactions,  
18                   including dividend investments.

19           The foregoing apply so long as the mailing address for the  
20           owner in the financial organization's books and records is the  
21           same for both the inactive account and for the active account.

22           (c) Any sum payable on checks or on written instruments on  
23           which a banking or financial organization or business  
24           association is directly liable including, by way of  
25           illustration but not of limitation, certificates of deposit,  
26           drafts, money orders and travelers checks, that with the

1 exception of travelers checks and unclaimed wages, payroll, and  
2 salary has been outstanding for more than 8 5 years from the  
3 date it was payable, or from the date of its issuance if  
4 payable on demand, or, in the case of travelers checks, that  
5 has been outstanding for more than 15 years from the date of  
6 its issuance, or, in the case of unclaimed wages, payroll, or  
7 salary, that has been outstanding for more than one year from  
8 the date of its issuance, excluding any charges that may be  
9 lawfully withheld relating to money orders issued by currency  
10 exchanges, unless the owner has within 8 5 years (or within 15  
11 years in the case of travelers checks or one year in the case  
12 of unclaimed wages, payroll, or salary) corresponded in writing  
13 with the banking or financial organization or business  
14 association concerning it, or otherwise indicated an interest  
15 as evidenced by a memorandum on file with the banking or  
16 financial organization or business association.

17 (d) Any funds or other personal property, tangible or  
18 intangible, removed from a safe deposit box or any other  
19 safekeeping repository or agency or collateral deposit box on  
20 which the lease or rental period has expired due to nonpayment  
21 of rental charges or other reason, or any surplus amounts  
22 arising from the sale thereof pursuant to law, that have been  
23 unclaimed by the owner for more than 8 5 years from the date on  
24 which the lease or rental period expired, subject to lien of  
25 the holder for reimbursement of costs incurred in the opening  
26 of a safe deposit box as determined by the holder's regular

1 schedule of charges.

2 (e) Notwithstanding any other provision of this Section, no  
3 deposit except passbook, checking, NOW accounts, super NOW  
4 accounts, money market accounts, or such similar accounts as  
5 established by Rule of the State Treasurer, held by a banking  
6 or financial organization shall be presumed abandoned if with  
7 respect to such a deposit which specifies a definite maturity  
8 date, such organization was authorized in writing to extend or  
9 rollover the account for an additional like period and such  
10 organization does so extend. Such deposits are not presumed  
11 abandoned less than 8 5 years from that final maturity date.  
12 Property of any kind held in an individual retirement account  
13 (IRA) is not presumed abandoned earlier than 8 5 years after  
14 the owner attains the age at which distributions from the  
15 account become mandatory under law.

16 (f) Notwithstanding any other provision of this Section,  
17 money of a minor deposited pursuant to Section 24-21 of the  
18 Probate Act of 1975 shall not be presumed abandoned earlier  
19 than 8 5 years after the minor attains legal age. Such money  
20 shall be deposited in an account which shall indicate the birth  
21 date of the minor.

22 (Source: P.A. 97-270, eff. 8-8-11.)

23 (765 ILCS 1025/2a) (from Ch. 141, par. 102a)

24 Sec. 2a. (a) Business associations shall report, pursuant  
25 to Section 11 of this Act, all property and any earnings

1 thereon to which the owner would be entitled that have remained  
2 unclaimed for 8 ~~5~~ years and are therefore presumed abandoned.  
3 Before reporting and delivering property as required under this  
4 Act, a business association may deduct from the amount of  
5 otherwise reportable intangible personal property the economic  
6 loss suffered by it in connection with that intangible personal  
7 property arising from transactions involving the sale of  
8 tangible personal property at retail. This property shall  
9 consist of, but is not limited to:

10 (1) (blank);

11 (2) deposits or payment for repair or purchase of goods  
12 or services;

13 (3) credit checks or memos, or customer overpayments;

14 (4) stocks, bonds, or any other type of securities or  
15 debt instruments, and interest and dividends therefrom;

16 (5) unidentified remittances, unrefunded overcharges;

17 (6) unpaid claims, unpaid accounts payable or unpaid  
18 commissions; and

19 (7) credit balances - accounts receivable, checks  
20 written off, employee bond buying and profit-sharing.

21 (b) Notwithstanding the provisions of subsection (a), any  
22 property due or owed by a business association to or for the  
23 benefit of another business association resulting from a  
24 transaction occurring in the normal and ordinary course of  
25 business shall be exempt from the provisions of this Act.

26 (c) Notwithstanding the provisions of subsection (a),

1 unclaimed wages, payroll, and salary, in any form, shall be  
2 reported after remaining unclaimed for one year, pursuant to  
3 Section 2.

4 (Source: P.A. 97-270, eff. 8-8-11.)